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UNITED STATES PATENT AND TRADEMARK OFFICE

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09/678,031	10/03/2000	Masaki Kyojima	107500	5676

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UNITED STATES PATENT AND TRADEMARK OFFICE

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GROUP 3600

BEFORE THE BOARD OF PATENT APPEALS
AND INTERFERENCES

Paper No. 11

Application Number: 09/678,031
Filing Date: October 03, 2000
Appellant(s): KYOJIMA ET AL.

OLIFF & BERRIDGE, PLC
For Appellant

EXAMINER'S ANSWER

This is in response to the appeal brief filed 10 September 2003

(1)   Real Party in Interest

A statement identifying the real party in interest is contained in the brief.

(2)   Related Appeals and Interferences

A statement identifying the related appeals and interferences which will directly affect or be

directly affected by or have a bearing on the decision in the pending appeal is contained in the brief.

(3)   Status of Claims

The statement of the status of the claims contained in the brief is correct.

(4)   Status of Amendments After Final

The appellant's statement of the status of amendments after final rejection contained in the brief

is correct.

(5)   Summary of Invention

The summary of invention contained in the brief is substantially correct.

(6)   Issues

The appellant's statement of the issues in the brief is correct but does not fully comply with rule

37 CFR 192 (c) (5) since the summary does not refer to the specification by page and line number, and to

the drawing, if any, by reference characters.

(7)   Grouping of Claims

The appellant's statement in the brief that all claims do not stand or fall together is not agreed

with because appellant has not provided separate arguments with respect to each of the claims.

Appellant specifies the grouping of claims as follows:

Group I:	1-8, 35 and 36.
Group II:	9-15, 37 and 38.
Group III:	16-19, 39 and 40.
Group IV:	20, 21, 41 and 42.
Group V:	22 and 43.
Group VI:	23 and 44.
Group VII:	24-34 and 45-48.

Thus, the claims of each group should stand or fall together.

(8)   Claims Appealed

The copy of the appealed claims contained in the Appendix to the brief is correct.

(9)   Prior Art of Record

5,892,900   **_Ginter et al._**   6-1999

(10)   Grounds of Rejection

The following ground(s) of rejection are applicable to the appealed claims:

Claims 1-48 are rejected under 35 U.S.C.103(a). This rejection is set forth in prior Office Action,

Paper No. 6, mailed on 10 April 2003. The individual claim rejections from that Office Action are

reproduced below.

Claim Rejections - 35 USC § 103

1.   The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness
rejections set forth in this Office action:

> (a) A patent may not be obtained though the invention is not identically disclosed or described as set
> forth in section 102 of this title, if the differences between the subject matter sought to be patented and
> the prior art are such that the subject matter as a whole would have been obvious at the time the
> invention was made to a person having ordinary skill in the art to which said subject matter pertains.
> Patentability shall not be negatived by the manner in which the invention was made.

2.   __Claims 1-48__ are rejected under 35 U.S.C. 103(a) as being unpatentable over **_Ginter et al._**, US Patent No 5,892,900.

Ginter discloses all the limitations of claims 1-48, except for one feature.

Ginter does not explicitly recite the claimed "license-issuing center being independent" feature, as recited by language added to amended claims 1-2, 9-10, 16-17, 20-25, 27 and 29, and as recited in the newly added claims 35-48.

However, as analyzed in the response to arguments above, this feature is clearly taught by Ginter.

Therefore it would have been obvious to one ordinarily skilled in the art at the time the invention was made that a licensing-issuing center may be set up according to Ginter's methods and systems to be totally independent of all other participating entities in such systems, should there be a business reason to do so. As such, claims 1-48 are unpatentable over Ginter.

Except for this obvious feature, all other claim limitations are met by Ginter, as follows:

As per **claims 1, 2**:

Ginter discloses a

license-issuing [method and system] _for issuing an electronic license for certifying that usage of digital contents is permitted to a specific user, the method comprising:_

generating information for verification required to verify legitimacy of an electronic license;

inputting information to specify the information for verification; generating the electronic license which can be verified by the information for verification specified by the input information to specify the information for verification; and

outputting the generated electronic license (Abstract; Figs 1, 2, 2A, 5A-B, 14B, 77-78, associated text; Cols 3-6: "Chain of Handling and Control"; Col 10, line 47- Col 11, line 21; Col 55, line 61 - Col 59, line 6; Col 206-212; Col 220-224).

As per **claims 9, 10**:

Ginter discloses a

license intermediation [method and system] *for intermediating a request for an electronic license for certifying that usage of digital contents is permitted to a specific user, the method comprising:*

receiving a first license request which is a request for issuance of the electronic license for certifying that the usage of specific digital contents is permitted;

preparing a second license request for requesting the issuance of the electronic license requested in the received first license request; and outputting the prepared second license request (Abstract; Figs 1, 2, 2A, 5A-B, 14B, 77-78, associated text; Cols 3-6: "Chain of Handling and Control"; Col 10, line 47- Col 11, line 21; Col 55, line 61 - Col 59, line 6; Col 206-212; Col 220-224).

As per **claims 16, 17**:

Ginter discloses an

agreement issuing [method and system] *for allowing intermediation of a request for an electronic license for certifying that usage of digital contents is permitted to a specific user, the method comprising:*

inputting information to specify an intermediator who intermediates a request for an electronic license for digital contents;

inputting information to specify the digital contents the intermediation of which is permitted to the intermediator;

generating an agreement for certifying that the intermediation of the request for the electronic license for the specified digital contents is permitted to the specified intermediator; and

outputting the generated agreement (Abstract; Figs 1, 2, 2A, 5A-B, 14B, 77-78, associated text; Cols 3-6: "Chain of Handling and Control"; Col 10, line 47- Col 11, line 21; Col 55, line 61 - Col 59, line 6; Col 206-212; Col 220-224; Col 269-270 "Negotiation of Contracts").

As per **claims 20, 24**:

Ginter discloses (see above citations; Cols 189 – 206: "Examples of VDE Methods")

a feature providing [method and system] *for providing a user one or more features, comprising:*

storing information for verification to verify an electronic license for certifying that usage of all or part of features is permitted to a specific user;

inputting an electronic license;

verifying legitimacy of the input electronic license using the stored information for verification; and

activating at least part of the features only in the case it is judged that the input electronic
license is legitimate.

As per **claims 21, 25**:

Ginter discloses (see above citations; Cols 189 – 206: "Examples of VDE Methods")

a digital contents operation [method and system], *comprising:*

storing information for verification to verify an electronic license for certifying that operation of
digital contents is permitted to a specific user;

inputting an electronic license;

verifying legitimacy of the input electronic license using the stored information for verification;
and

enabling at least part of operations of the digital contents only in the case it is judged that the
input electronic license is legitimate.

As per **claims 22, 27**:

Ginter discloses (see above citations; Cols 189 – 206: "Examples of VDE Methods")

a digital contents decrypting [method and system] *for decrypting encrypted digital contents,*
comprising:

storing information for verification to verify an electronic license

that certifies that decrypting of encrypted digital contents is permitted to a specific user;

inputting an electronic license;

verifying legitimacy of the input electronic license using the stored information for verification;
and

decrypting the encrypted digital contents only in the case it is judged that the input electronic
license is legitimate.

As per **claims 23, 29**:

Ginter discloses (see above citations; Cols 189 – 206: "Examples of VDE Methods")

a digital contents decompression [method and system] *for decompressing compressed digital*
contents, comprising:

a step for storing information for verification to verify an electronic license that certifies that
the decompression of compressed digital contents is permitted to a specific user;

a step for inputting an electronic license;

a step for verifying the legitimacy of the input electronic license using the stored information for verification; and

a step for decompressing the compressed digital contents only in the case it is judged that the input electronic license is legitimate.

As per **claim 3**:

Ginter discloses all the limitations of claim 2.

Ginter further discloses that fine-grained control of usage conditions may be effected by his invention (see all above citations). Therefore Ginter meet all the limitations of claim 3, namely:

...usage condition generation means for generating a usage condition which is a condition for limiting usage of digital contents, wherein:

the usage condition generated by the usage condition generation means is included in the electronic license generated by the license generation means.

As per **claim 4**:

Ginter discloses all the limitations of claim 2.

Ginter further discloses that multi-tiered distribution may be set up for the controlled distribution of digital property, with content and rules created at each level, participant of the network (see above citations). Therefore Ginter meets all the limitations of claim 4, namely:

..information to specify an intermediator of the issuance of the electronic license and an agreement for certifying that the intermediation of the issuance of the electronic license corresponding to the specified information for verification is allowed to the specified intermediator are input to the license generation means together with the information to specify information for verification; and

it is checked by the agreement whether or not the intermediation of the issuance of the electronic license corresponding to the information for verification is allowed to the intermediator and only in the case the intermediation is allowed, the electronic license is generated.

As per *claim 5:*

Ginter discloses all the limitations of claim 2.

Ginter further discloses that a "metering history" can be incorporated into any licensing of products to be distributed (see above citations; Col 20, line 42; Col 24, lines 24-53). Therefore Ginter discloses all the limitations of claim 5:

..*further comprising: a license issuance history memory unit for storing an issuance history of an electronic license;*

a content provider's issuance history preparing unit which receives information to specify a content provider of digital contents and extracts an issuance history which is a history of the issuance of a license for digital contents provided by the specified content provider from the issuance histories stored in the license issuance history memory unit; and

a content provider's issuance history output unit for outputting the issuance history for the specified content provider generated in the content provider's issuance history preparing unit.

As per **claim 6***:*

Ginter discloses all the limitations of claim 2.

Ginter further discloses that a "metering history" can be incorporated into any licensing of products to be distributed (see above citations; Col 20, line 42; Col 24, lines 24-53). Therefore Ginter discloses all the limitations of claim 6:

license request receiving means for receiving a request for issuance of an electronic license,

wherein, in the case the license request receiving means receives a

request for the issuance of an electronic license, an electronic license is generated in the license generation means, wherein the license-issuing system further comprises:

a license issuance history memory unit for storing an issuance history of an electronic license;

a requestor's issuance history preparing unit which receives information to specify a requester of the issuance of the license and extracts the specified requestor's issuance history, which is the issuance history of

the electronic license requested from the specified requester, from the issuance histories stored in the license issuance history memory unit; and a requestor's issuance history output unit for outputting the issuance history for the requester prepared in the requestor's issuance history preparing unit.

As per **claim 7**:

Ginter discloses all the limitations of claim 2.

Ginter further discloses that a "metering history" can be incorporated into any licensing of products to be distributed (see above citations; Col 20, line 42; Col 24, lines 24-53). Therefore Ginter discloses all the limitations of claim 7:

a verification information issuance history memory unit for storing a history of issuance of information for verification;

a verification information issuance history preparing unit which receives information to specify a recipient of information for verification

and extracts the issuance history which is a history of the issuance of the information for verification issued to the specified recipient from the issuance histories stored in the verification information issuance history memory unit; and

a verification information issuance history output unit for outputting the issuance history prepared in the verification information issuance history preparing unit.

As per **claim 8**:

Ginter discloses all the limitations of claim 2.

Ginter further discloses that public/private key pairs will be used for encrypting/decrypting data packages transmitted through the network (see above citations). Therefore Ginter discloses all the limitations of claim 8:

public key pair preparing means for generating a public key pair; and

private key storage means for storing a private key of the public key pair prepared in the public key pair preparing means, wherein:

the information for verification is the public key prepared by the public key pair preparing means; and

the license is generated using the private key stored in the private key storage means.

As per **claim 11**:

Ginter discloses all the limitations of claim 10.

Ginter further discloses that a public key of a public/private key encryption pair may be used to specifically encrypt each piece of content transmitted from one network participant to another (see above citations). Therefore Ginter meets all the limitations of claim 11:

...information for verification required to verify legitimacy of a specific license is bound with
specific digital contents; and

  information to specify the information for verification is included in the first and second
license requests.

As per **claim 12**:

Ginter discloses all the limitations of claim 10.

Ginter further discloses that fine-grained control of usage conditions for content is possible with his system (see above citations). Therefore Ginter meets all the limitations of claim 12:

  ...the requested license includes a usage condition which is a condition for limiting the usage
of digital contents;

  usage condition preparing means for preparing the usage condition to be included in the
requested license is provided; and

  the usage condition prepared by the usage condition generation means is included in the
second license request prepared by the license request preparing means.

As per **claim 13**:

Ginter discloses all the limitations of claim 10.

Ginter further discloses that negotiations, contracts, and agreements governing licensing, distribution, and use of content are all possible with his system, incorporated into the data "objects" transmitted among participants of his "chain of handling and control" (see above citations). Therefore Ginter meets all the limitations of claim 13:

  ..agreement storage means for storing an agreement for certifying that the system is permitted to
intermediate the issuance of a license for specific digital contents, wherein

  the agreement stored in the agreement storage means is attached to the license request
prepared by license request preparing means.

As per **claim 14**:

Ginter discloses all the limitations of claim 10.

Ginter further discloses that budgeting and billing methods are easily implemented with his system (see above citations). Therefore Ginter meets all the limitations of claim 14:

...accounting means for charging a license issuance fee to a requester of the first license request, wherein:

when the first license request is received, the license issuance fee is charged to the requester by the accounting means.

As per **claim 15**:

Ginter discloses all the limitations of claim 10.

Ginter further discloses that payment and collection methods are easily implemented within his Virtual Distribution System (see above citations). Therefore Ginter meets all the limitations of claim 15:

...settlement means for collecting a license issuance fee from a requester of the first license request, wherein:

when the first license request is received, the license issuance fee is collected from the requester by the settlement means.

As per **claim 18**:

Ginter discloses all the limitations of claim 17.

Ginter further discloses that fine-grained control of usage conditions for content is possible with his system (see above citations). Therefore Ginter meets all the limitations of claim 18:

..usage condition limitation information generating means for generating usage condition limitation information which limits a range of a usage condition for limiting the usage of digital contents, wherein:

the usage condition limitation information generated by the usage condition limitation information generating means is included in the agreement generated by the agreement generating means.

As per **claim 19**:

Ginter discloses all the limitations of claim 17.

Ginter further discloses that a "metering history" can be incorporated into any licensing agreement of products to be distributed (see above citations; Col 20, line 42; Col 24, lines 24-53). Therefore Ginter meets all the limitations of claim 19:

..an agreement issuance history memory unit for storing an issuance history of an agreement;

a history preparing unit which receives information to specify an intermediator and extracts an issuance history for the agreement issued to the specified intermediator from the issuance histories stored in the agreement issuance history memory unit; and

a history output unit for outputting the issuance history prepared in the history preparing unit.

As per **claims 26, 28, 30**:

Ginter discloses all the limitations of claims 25, 27, 29 respectively. Ginter further discloses that the content and rules governing the access and use of said content may be extracted (Cols 189 – 206: "Examples of VDE Methods"). Therefore Ginter discloses all the limitations of claims 26, 28, 30, namely:

..the information for verification is included in digital contents; and the information for verification is extracted from the digital contents and is stored in the verification information storage means.

As per **claims 31-34**:

Ginter discloses all the limitations of claims 24, 25, 27, 29 respectively.

Ginter further discloses a portable memory unit that can perform all the functions describes by claims 31-34 (see above citations; Col 254-262, "Portable Electronic Appliance"). Therefore Ginter meets all the limitations of claims 31-34, namely:

..further comprising: connection means for connecting to the system a portable memory unit that stores an electronic license, wherein:

the license verification means verifies the legitimacy of the electronic license stored in the portable memory unit connected via the connection means.

As per **claims 35-48**.

Ginter discloses all the limitations of the preceding claims on which these claim depend.

These further claims are rejected based on the obviousness and motivation analysis already presented in the Response to Arguments section above and the preamble of this Claims Rejections - 35 USC § 103 section.

(11)   Response to Argument

Appellant's arguments have been fully considered but they are not persuasive: the arguments do not clearly point out the patentable novelty which Appellant thinks the claims present in view of the state of the art disclosed by the reference cited or the objections made.

A: Appellant argues that <u>the rejection stated in the final Office Action is unclear</u>.

Examiner wrote:

"Ginter discloses all the limitations of claims 1-48, except for one feature.

Ginter does not explicitly disclose the claimed "license-issuing center being independent" feature, as recited by language added to amended claims 1-2, 9-10, 16-17, 20-25, 27 and 29, and as recited in the newly added claims 35-48."

Appellant took issue with the term "explicitly disclose" as used above. Examiner meant "explicitly recite". To clear this misreading of the rejection, the rejection as currently written in the Claims Rejections section above correctly states that the reference does not "explicitly recite" the missing limitation.

B: Appellant argues that <u>exact portions of Ginter were not cited</u> to support the rejection and that <u>the reference fails to establish that Ginter clearly teaches a "license-issuing center being independent from the at least one of the provider and the seller</u>.

In the final Office Action's Response to Arguments section, very specific lines of text were cited from Ginter and reproduced verbatim - with reference columns and lines citations - to address this same argument. The relevant portion of that Response to Arguments section is reproduced below:

Appellant's sole argument against the claim rejections based on Ginter is that *"Ginter does not disclose or suggest a license-issuing center that is independent from the provider and/or the seller of digital contents, as recited in* [the original] *claims 1-34"*.

To the contrary, examiner believes that Ginter explicitly teaches that each participant in his invention may fulfill the role of an independent licensor of digital content. Accompanied by their descriptive text, each of the following drawings clearly illustrate this feature:

Fig 1: The "Information Utility" 200 performs the functions of a license issuing center, independent from publishing and production facilities.

Fig 1A: the "Permissioning Agent" 200f is a license issuing center which is independent from all other entities participating in the distribution network depicted by Ginter.

In relation to these two drawings, Ginter states (Col 54):

"Information utility" 200 in FIG. 1 can be a collection of participants that may act as distributors, financial clearinghouses, and administrators. FIG. 1A shows an example of what may be inside one example of information utility 200.

Information utility participants 200a-200g could each be an independent organization/business. There can be any number of each of participants 200a-200g

Based on the above citation alone, and Fig 1A, it is clear that the entities VDE Administrator (200h), Permissioning Agent (200f) may each perform the duties of a Licensor, as defined by Appellant. As stated by Ginter, these entities may be independent organizations or businesses.

However, here are additional instances where Ginter teaches that each entity in his network may be independent and separate:

Fig 2: the "VDE Rights Distributor" 106 is yet another license issuing center, separate from creator and clearinghouse/administrator, all of which may be independent, separate entities.

Fig 78: the "Control Structure Library" 3342 may be an independent, separate license issuing center within a large, distributed network for the dissemination of protected content.

Additionally, Ginter states in *"Overview: Electronic Content "* (Col 10) that

VDE can support "real" commerce in an electronic form, that is the progressive creation of commercial relationships that form, over time, a network of interrelated agreements representing a value chain business model. This is achieved in part by enabling content control information to develop through the interaction of (negotiation between) securely created and independently submitted sets of content and/or appliance control information.

Different sets of content and/or appliance control information can be submitted by different parties in an electronic business value chain enabled by the present invention. These parties create control information sets through the use of their respective VDE installations. Independently, securely deliverable, component based control information allows efficient interaction among control information sets supplied by different parties.
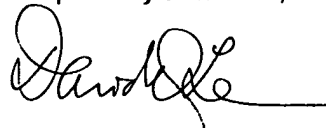
C: Appellant states that arguments presented in the after-final Request for Reconsideration (Paper No. 7, filed 10 June 2003) cover new grounds and had not been presented before.

Examiner disagrees with this characterization. The arguments presented in the Request for Consideration do not substantially differ from those presented in the first Amendment (Paper No. 5, filed 31 January 2003). These arguments, in fact, do not substantially differ from original oral arguments and a draft amendment presented in a 14 January 2003 interview, summarized in the Interview Summary (Paper No. 4, 14 January 2003). Those arguments again fail to overcome the rejections and do not place the application in condition for allowance.

For the above reasons, it is believed that the rejections should be sustained.

Respectfully submitted,

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February 12, 2004

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